Previous references.
~~99~~ 187-~~99~~-5,
E47. 5-95.
E47 134-10-881-6 B June 11

1910-11

(S.R)

Later references.
SR 124-10 887-12 B-4-12
Ex 33. 22. 8

File No. 124-10

Serial Nos. 1-6

(27) P

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 1-6

Part B. for June 1911.

SUBJECT.

Question of placing Bangalore Beer on the footing with Foreign Liquor.

From the P.A. Resident.
No. 864 dated 14. 2. 11.

Invites the opinion of the Durbar regarding the extension of the immunity under certain conditions from import duty, which is allowed to all kinds of duty-paid foreign liquor, to the beer produced in the Bangalore Brewery as it conforms to a reasonable Standard of potable quality and as the Govt of India have permitted to treat it as a foreign liquor

P. 7.0

G. R. S. 58

the Excise Comr.

No. 2e. 4408 dated 22.2.11
Forwards an extract of Sl(1) an
Calls for a report.

3. From the Excise Comr No. 7115 dated 2.3.11
Explains that as both English an
Country beers are treated alike u
Mysore especially regarding the
payment of duty to both Govt, u
remission recommended by the Re
Sidency cannot be accepted &c.

4. Do B. Shamanna Esq. asstt to the Excise Comr.
D.O. dated the 21.4.11.
Requesting him to state how a duty
is levied on Eng. Draught Beer which
comes under foreign liquor and requests
him to state the probable object of
the Govt of India in bringing
Bangalore Beer under the definition
of foreign liquor.

From Mr. B. Shamanna, assist-ant to the
Excise Comr. D.O. No. 8660 d. 22.4.11.
States that the duty on English
Draught malt liquor was levied
instead of surcharge fees in order
to place both English and country
beer on the same footing as sanctioned
in G.O. no 2e. 5214/S.R. 187-09-5 dated
the 20.4.10, and that as the
Bangalore beer contains a probable
percentage of alcohol and as the im-
perial revenue is not affected it is
considered as foreign liquor; and
forwards the D.O of Mr. Sherman on the
importation of Bangalore Beer into
British India duties free.

P.T.O

G. R. S. 12]
General and Revenue Secretariat.

File No. 124 of 1910

Serial No.

would be reasonable to extend to this beer immunity from import duty.

(2) About 5000 gallons were consumed in the State last year and if the proposal is accepted, Govt would lose about Rs 650/, the duty on each gallon being 2 annas & 1½ pie. There may be the indirect losses. On account of the exemption from duty the manufacturers may sell at slightly cheaper rates, 6½ annas a quart bottle instead of 7 annas as at present. As for bonafide private consumption a person can possess any quantity without a license. Such consumption may affect sales in country beer taverns, and the license fees will naturally be affected thereby. So also the consumption generally. As beer is a weak liquor, containing only 8 per cent of alcohol, the increase in its consumption cannot perhaps in the near future affect the revenue derived from any other source.

(3) There seems to be no technical objection to the proposal made in the paper under disposal, except that in my opinion such beer is considered as country liquor.

(4) If the proposal is adopted

X Taken from the latest Admn Report.

Sec 13 of the Excise Regn. Flag X

NOTE— Contn. sheet.

GPB—50,000—12-8-10

G. R. S. 12]
General and Revenue Secretariat.

SR File No. 174 of 1910

Serial No.

Mysore especially regarding the payment of duty to both Govts. the permission recommended by the Mysore Govt. should be accepted &c.

(9) Under the existing arrangement English beer also pays duty to Mysore in order to that paid to Mr. Govt. ~~&c.~~ ~~English beer is treated as foreign beer~~. Bangalore beer is ~~treated as foreign beer~~ under the Mysore rules treated as country beer. But the Station authorities prefer to treat it as foreign or English beer owing to its superior quality and lower tariff rate of duty. As foreign liquors are exempt from paying duty to Mysore Station authorities require the Bangalore beer also to be similarly exempted from paying duty to Mysore. The Ex. Commissioner was consulted in the matter is not in favour of the recommendation. He suggests also that the Station authorities may give a rebate of duty to the Brewers, ~~if they (the authority)~~ decided for orders

SD no: 582-92 of 475-95 30/6/02.

S

Note – Contn. sheet.

(10) Whilst the Excise Commr

GPB—50,000—14-8-10

15/3/16 15/3/16

G. R. S. 12]
General and Revenue Secretariat.

SR File No. 124 of 1910

Serial No.	
	From the Home Office.
5.	DO no 8660 of the 22/4/11 states that the duty on ~~Eng~~ English draught malt liquor (~~beer~~ beer) was levied instead of surcharge fees in order to place both English and country beer on the same footing as sanctioned in GO no H. 5214/SR 187-09-5 of the 20/4/10 and that as ~~the~~ Bangalore beer contains a notable percentage of alcohol and as the imperial revenue is not affected it is considered as foreign liquor; and forwards the DO of Mr Sherman on the importation of Bangalore beer into British India duty free.
	(13) In another connection the Secretary has remarked that the ~~duty on~~ question of imposing duty on ~~foreign~~ foreign draught beer requires careful consideration. ~~His~~ But a draft by the Residency is submitted on the lines suggested by the Excise Commr and approved by the Asst Secretary.
	Subd for orders. Please note whether amack
	(14)

× SR 134-10.
Subd Separately.

Mr 83
15/5/11
15/5/11

NOTE—Contn. sheet.

GPB—55,000—27.4.09

G. R. S. 12]
General and Revenue Secretariat.

SR File No. 124 of 1910

Serial No.	
	imported into the C & M Stn from the Central Distillery pays duty both to the Mysore Govt & the C & M Stn.
	SA 11/5/11
	(15) The authorities of the C & M Station get arrack direct from the Central Distillery at ~~cost price~~ the price ordinarily sold by the Contractors, i.e. the ~~manufr~~ manufacturers, they pay the proportionate cost of the Distillery Establishment but the duty on arrack goes to the revenues of the C & M Station. No duty is paid to our State for the arrack exported to the C & M station.
	MS 83 12/5/11 (16) (1) a short reply seems to be all that is needed. Please rewrite as revised.
	(17) (2) We have nothing to gain by the course suggested by the Resdt. Bangalore beer pays us duty now just like English beer and we are not interested in stimulating the consumption

NOTE—Contn. sheet.

GPB—55,000—27.4.09

G. R. S. 12]
General and Revenue Secretariat.

SR File No. 124 of 1910-

Serial No.

22) Issue draft approved by the Dewan

chy
27/6/11

SA
27/6/11

6. To the First Asst to the Honble the Resident in Mysore.

No. PR 1128 of the 30/6/11

States that in Mysore both Country beer and English draught beer are placed on a ~~[illegible]~~ footing of equality, and that the Dunbar are not in favour of effecting a change in the existing system, that the course suggested would affect the Excise Revenue of the Dunbar prejudicially & that if it is considered that Bangalore beer should not be subjected to a double duty the more appropriate course would appear to be to allow the manufacturers a rebate on the quantity of beer exported from the C & M Station into the State, and invites attention to the fact that arrack and Mysore country spirits manufactured at the B. C. Distillery are allowed to be purchased by

NOTE—Contn. sheet.

GPB—50,000—12-8-10

D3288 Fol:1347

II

No. 864. Dy 14-2-

Secy - 14-2-11

From

P. B. WARBURTON, Esq., I. C. S.,
FIRST ASSISTANT TO THE RESIDENT IN MYSORE.

To

The Dewan of Mysore.

88/24 To Sno. 1

Dated Bangalore, 14th February 1911.

Sir,

The beer produced in the Bangalore Brewery situated within the limits of the Civil and Military Station conforms to a reasonable standard of potable quality and has, on this ground, been placed, under the orders of the Government of India, on the same footing as beer imported into India subject to the tariff rate. In view of the fact that Bangalore beer is now treated as a --- foreign liquor, the Resident is disposed to consider -- that, if the Durbar see no objection, it would be reasonable to extend to this beer the immunity from import -- duty, which has been allowed in the case of all classes of duty paid foreign liquor exported from British India to the Mysore State, provided, of course, that the introduction of the beer into the State territory is limited to satisfying a legitimate demand for the same and is subject to the excise rules in force in the localities concerned.

2. I am to invite an early ~~explanation~~ expression of the Durbar's

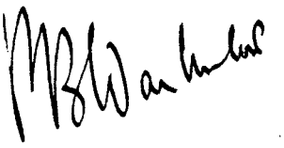
E. P. B.—21-1-1911.—4,000.

Durbar's views on the subject.

I have the honour to be,

Sir,

Your most obedient servant,



First Assistant Resident.

SfA 124-10 (3) D 3546

No 7115

OFFICE OF THE EXCISE COMMISSIONER IN MYSORE,

Bangalore, dated 2nd March *19* 11

From

H.H. Sparkes, Esquire,

Excise Commissioner in Mysore.

To

C.S. Balasundaram Iyer, Esq., B.A.,

Offg: *Secretary to the Government of*
His Highness the Maharaja of Mysore,
General and Revenue Departments.

SIR,

Adverting to your letter No.FL.4308/S.R.124-10-2, dated 21st February 1911, forwarding for an expression of opinion, an - extract from a letter from the First Assistant to the Hon'ble the Resident in Mysore, in the matter of placing the Beer manufactured in theBangalore Brewery on the same footing as Foreign Beer import -ed into British India and treated as Foreign Liquor, I have the honor to state that Foreign draught Beer imported into India subject to the tariff rate was paying surcharge fees when consumed in -- Mysore until July 1910, in addition to the custom duties paid at the port of receipt. These fees were replaced by the same import duty under section 6 of the Mysore Excise Regulation as that levi- -able on country Beer since July 1910.

SfA 187-09-5.

2 So far as the Mysore State is concerned, both the country Beer

D 3546

19 .

From

H. H. Sparkes Esquire,
Excise Commissioner in Mysore.

To

C. S. Balasundaram Iyer Esq. B.A.
Offg. *Secretary to the Government of*
H. H. the Maharaja of Mysore,
Genl. and Rev. Depts.

Dated 2nd March 1911.

Despatched

Received

General No. 7115

Enclosure No.

SUBJECT.

Replying in the matter of placing the beer manufactured in the Bangalore Brewery on the same footing as foreign beer imported into British India and treated as foreign liquor

GPB--2,000--31-7-09

Beer and the English Draught Beer are placed on the same footing. It will be observed that the Country Beer now pays duty to the -- Mysore Government as well as to the Civil and Military Station, - while the English Draught Beer also pays similar duty both to the Madras and Mysore Governments.

3 Foreign bottled Beer pays customs duties at the port of arrival and also surcharge duties to Mysore Government at the same rate as is charged on country Beer. Thus, Bangalore bottled Beer cannot claim any remission of duty from Mysore Government by being placed on the same footing as the former.

4 If the Beer manufactured at the Civil and Military -- Station is to be considered as Foreign liquor and should have the immunity from import duty extended to it, because it is subject - to the tariff rate, there is no reason why the arrack that is -- manufactured at the Bangalore Central Distillery, but consumed in the Civil and Military Station and Coorg, should not also be treat--ed in the same way as this liquor also conforms to a reasonable standard of potable quality. What would be a fairer way under - the present circumstances, I beg to suggest, would be for the - Civil and Military Station authorities to grant the Brewers a --- rebate on the duty for Beer consumed out of the Civil and Military Station limits. This duty is not liable to be paid to the Civil and Military Station [illegible] Treasuries on the principle that

the

124-W. (4)

21st April 1911.

Dear Sir,

Please refer to your office letters Nos. 7337 and 7115 dated the 9th and 2nd March 1911, respectively, on the subject of (1) giving out foreign liquor licenses on the fixed fee-system and (2) the question of exempting Bangalore beer from the payment of duty to the State.

In the draft notification attached to the former communication it is proposed to levy a duty of 2 annas 1½ pies per gallon of English draught beer. As this liquor comes under the head of foreign liquor, I am asked to enquire how [illegible] the levy of a duty on it can be justified.

Another point which requires elucidation is why botteling-licenses have not been provided for in the draft notification -- though it finds a place in the old notification.

2. Regarding the suggested exemption of Bangalore beer from payment of duty by placing it on a level with foreign liquor, I shall be obliged to know what is in your opinion the probable object of the Government of India in bringing Bangalore beer under the definition of foreign liquor. Does this arrangement mean that Bangalore beer shall not pay any duty to the Civil and Military Station or any Province of British India? What is the supposed benefit to us in accepting this suggestion ?

A very early answer will very much oblige.

I am,

Yours sincerely,

S A

B. Shamanna, Esq., B. A., L. C. E.,

Assistant to the Excise Commissioner

in Mysore, Bangalore.

Iw 8660

Office of the Excise Commissioner

in Mysore.

Dated Bangalore, 22nd April 1911.

Dear Sir,

I am directed to reply that the ~~levy of~~ duty on English Draught Beer was levied in lieu of sur-charge duties on Foreign Liquor, when it was decided to place it on a similar footing with country beer and the English beer tavern sold in 1911 (vide last para of this office letter No. 7363, dated 2-3-1910). The tavern was only sold for 6 months and the Excise Commissioner decided to introduce the fixed fee system for Foreign Liquor shops of all kinds. The duty of R^s.7-2-9 per hogs-head was sanctioned in Government Order No. Fl.5214/S.R. 187-09-5, dated 20th April 1910, when on a representation from the Tavern Licensees the sale was postponed from 1st July 1910 to 1st January 1911; it was given out on a Fixed Fee of R^s.150/-

In the Notification submitted for approval with letter No. 7337, dated 13-3-1911, a fee of R^s.600/- per annum together with the duty and a surcharge fee has been recommended, as it would then yield a revenue as near as possible to the country beer which pays a minimum rental of R^s.250/- a month plus duty. The object in this was to place both the beers on the same footing and at the same time, allow the English Beer

tavern to be given out on the Fixed Fee System.

3. Bottling Licensees were not included, as there was no demand for them in 1910-11. The only firm that had the license in previous years was Haji Ismail Sait of the English Warehouse, Champion Reefs, who frequently broke the conditions thereof by not doing the bottling in the presence of an Excise Officer. These licenses have to be discouraged as far as possible, as they lead to a lot of malpractices by allowing the purity of Foreign Liquor to be lowered.

4. Foreign Liquor pays duty to Imperial Government at the port of arrival and country beer manufactured in Bangalore also pays a duty to the Imperial Revenue. The latter contains a potable percentage of alcohol and as the Imperial Government -- Revenue is not affected, it is classed as Foreign Liquor.

The Bangalore Beer pays duty as soon as it leaves the Brewery to the Civil and Military Station Revenue. I think it also pays duty at the place of consumption in British India which is assigned to the Imperial Revenue (see para 90, page 130, Madras Excise Manual). But I am not quite sure on this point, and I will ask Mr. Cherran and let you know.

4.

* I saw Mr. Cherran (illegible).

124-10 (5)

4. There is no benefit at all for us in this arrangement. We will lose the revenue derived from the duty on all country beer imported into Mysore. Bangalore Brewery Company will thus be able to sell their beer much cheaper than either English Beer or Neligeri or any other country beer. This concession will only help the Bangalore Brewery Company. The amount of loss to Mysore Government will be about Rs.600/-to 700/- and also -- indirectly allow the beer to compete detrimentally with toddy a less harmless drink than beer. On the other hand it will not add a pie to the Station Revenue, the only party benefiting being the Brewer.

(81 201 in cotly)

I am ,

Sir,

Yours sincerely,

Bhimanna

Neligeri ... separate

To

S. Hiriyannaiya, Esq., M.A., B.L.,

Assistant Secretary,

Gen. & Rev. Depts.,

Bangalore.

P.70

D. O.

OFFICE OF THE EXCISE COMMISSIONER
IN MYSORE,

Bangalore, Dated 22. 4. 1911.

Dear Sir

In continuation of my
letter, I endorse copy of
W. Norman about the dues
in the British Provinces on Imported
Beer.

"But the same analogy
does not apply to us" I think
I am

Office of the Superintendent of Excise,
C. & M. STATION, BANGALORE.
Dated 22. 4. 1911.

Dear Mr. Thamana,

In reply to your urgent d.o. of this date.

Till quite recently Madras alone of British-India admitted Bangalore manufactured beer free of duty, but on the representation of the brewers it is now exempt from payment of 2nd duty on importation into Coorg also. The Bombay Government formerly prohibited

the sale of country-made beer manufactured outside of the Presidency but that restriction has, I believe, been withdrawn. The question of duty has not, so far as I know, been decided.

I enclose a copy of Permit B.12. as asked for.

Yours sincerely
H. Sherman

No 551
Encl.

Dem
Herrn Vincent
Obermann

L. Hirschmann, Halle a. S.
Agents Lieg

G.R.S. 26]

File No. 14-10

Serial No. 6

28/6/1

Diary No. of letter replied to 3546.

Pol. No. 1128

General and Revenue Secretariat

(Sep/Rev.)

, *the* 19 .

To

The F. A. Resident

in Mysore

Date of issue 30-6-1911.

Signed by

Sir,

Mr. S. Balasundaram

Adverting to your letter no. 864 dy. 14-2-1911, inviting an expression of the Durbar's views on the subject of extending to the beer manufactured in the Bangalore Brewery an immunity from import duty on the ground that this liquor is has been placed

over.

SUBJECT.

under the orders of the Govt
of India (on the same footing
as beer imported into India
subject to the tariff rate and has been
treated as foreign liquor, I
am directed to state that
in ~~this~~ the Mysore State both the country
beer and the English draught
beer are placed on a footing
of equality and that the
Durbar ~~do not see any reason for~~ are not in favour of Effecting any Change
~~advantage~~ in the existing System
~~Prohibition~~. The cause suggested
in the letter under reply would
affect the Excise Revenue
of the Durbar prejudicially
and it appears to them that,
if it is considered that ~~Bangalore~~ beer
beer should not be subjected
to a Double Duty, the ~~better~~ more appropriate
cause would appear to be to allow the
manufacturers a rebate on
the quantity of beer exported
from the C.M.S station into the ~~Mysore~~ State. In
this connection I am

List of enclosures,

Nil

30/6

Copied by

Examined by

GPB—20,000—26-9-10

G.R.S. 27]

GENERAL AND REVENUE SECRETARIAT.

(*Continuation Sheet draft form.*)

directed to invite his attention to the fact that Arrack and other Country Spirits manufactured at Bangalore the Central distillery are allowed to be purchased by the licensees of the CSH Stores shops without paying any duty to the Mysore Govt Durbar.

I have &c

CSB

Opg Secy to Govt

GPB—10,000—22-2-11

6. To the J. A. Resident in Mysore.

No. Pol. 1128 d. 30/6/11.

States that in Mysore both country beer and english Draught beer are placed on a footing of equality and that the Durbar are not in favour of effecting a change in the existing system, that the course suggested would affect the Excise Revenue of the Durbar prejudicially and that if it is considered that Bangalore beer should not be subjected to a double duty, the more appropriate course would appear to be to allow the manufacturer a rebate on ~~of~~ the quantity of beer exported from the C & M Station into the State, and invites attention to the fact that arack and other country Spirits manufactured at the Bangalore Central Distillery are allowed to be purchased by the licensees of the C & M Station Shops without paying any duty to the Durbar